DECLARATION

OF

COVENANTS, CONDITIONS, AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by Gulf Reston, Inc., a Delaware corporation, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Blocks 1-A, 1-B, and 1-C, Reston, Section Twenty-Eight, Centreville District, County of Fairfax, State of Virginia, which is more particular described as:

Blocks 1-A, 1-B, and 1-C, Reston, Section Twenty-Eight, as the same are platted, dedicated, and recorded in Deed Book 3427 at page 636 and rededicated, platted and recorded in Deed Book 3577 at page 487, among the land records of Fairfax County, Virginia.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I - DEFINITIONS

<u>Section 1</u>. "Association" shall mean and refer to Southgate Square Cluster Association, a Virginia corporation, its successors and assigns.

<u>Section 2</u>. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

<u>Section 3</u>. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

<u>Section 4</u>. "Common Area" shall mean all real property owned by the Association for common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

Parcel 99, Block 1-A; Parcel 98, Block 1-B; and Parcel 97, Block 1-C, Reston, Section Twenty Eight as the same are platted, dedicated, and recorded by the Deed of

Resubdivision and Rededication in Deed Book 3577 at Page 444 among the land records of Fairfax County, Virginia.

<u>Section 5</u>. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

<u>Section 6</u>. "Declarant" shall mean and refer to Gulf Reston, Inc., its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of Development.

ARTICLE II - PROPERTY RIGHTS

<u>Section 1. Owners' Easements of Enjoyment.</u> Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- a. The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area.
- b. The right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for a period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;
- c. The right of the Association to dedicate or transfer all or any part of the Common Area to any public Agency, authority or utility for such purposes and subject to such conditions as may be agreed by the members. No such dedication or transfer shall be effective unless an instrument signed by the Declarant and by members holding two-thirds (2/3) of the votes in the Association (exclusive of the Declarant) agreeing to such dedication or transfer has been recorded.
- d. The right of individual owners to the exclusive use of parking spaces as provided in this Article.

<u>Section 2. Declaration of Use.</u> Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

<u>Section 3. Parking Rights.</u> Ownership of each lot shall entitle the owner or owners thereof to the use of not less than one automobile parking space, which shall be as near and convenient to said lot as reasonably possible, together with the right of ingress and egress in and upon said parking area. The Association shall have the right following the original sale by the Declarant of all of the lots in said Cluster, to permanently assign one vehicle parking space for each dwelling.

ARTICLE III - MEMBERSHIP AND VOTING RIGHTS

<u>Section 1.</u> Every Owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

<u>Section 2.</u> All Owners, including the Declarant, shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

ARTICLE IV - COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association; (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

<u>Section 2. Purpose of Assessments.</u> The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area, and of the homes situated upon the Properties.

<u>Section 3. Maximum Annual Assessment.</u> Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Two Hundred Fifty dollars (\$250) per lot.

- (a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 3% above the maximum assessment for the previous year without a vote of the membership.
- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above 3% upon receiving the vote of the Declarant and two-thirds (2/3) of the votes entitled to be cast by members of the Association (exclusive of the Declarant), which vote may be obtained at a meeting

- duly called for this purpose, or by the written assent of the members without a meeting, or by a combination of both of the aforesaid methods of voting.
- (c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of the Declarant and of two-thirds (2/3) of the votes entitled to be cast by the members of the Association (exclusive of the Declarant) which vote may be obtained at a meeting duly called for this purpose, or by the written assent of the members without a meeting or by a combination of both of the aforesaid methods of voting.

Section 5. Notice and Quorum for Any Action Authorized Under Section 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members entitled to cast sixty percent (60%) of all the votes (exclusive of the votes of the Declarant) shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

<u>Section 6. Uniform Rate of Assessment.</u> Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The Annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified Lot have been paid.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 6 percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first deed of trust and to the lien of the annual charges due to Reston Home Owners Association. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to deed of trust foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due from the lien thereof.

ARTICLE V- ARCHITECTURAL CONTROL

No building, fence, wall, or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, and height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and the Article will be deemed to have been fully complied with. The provisions of the Article V, however, shall not apply to the approved plans and specifications of the Declarant, its successors or assigns.

ARTICLE VI- GENERAL PROVISIONS

<u>Section 1. Enforcement.</u> The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

<u>Section 2. Severability.</u> Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

<u>Section 3. Amendment.</u> The covenants and restrictions of the Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. The Declaration may be amended during the first twenty (20) year period by an instrument signed by the Owners of not less than ninety percent (90%) of the Lots, and thereafter by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Lots. Any amendment must be recorded.

<u>Section 4. Annexation.</u> Additional residential property and Common Area may be annexed to the Properties if the Declarant and members holding two-thirds (2/3) of the votes in the Association (exclusive of the Declarant) consent.

<u>Section 5. FHA/VA Approval.</u> As long as the Declarant owns a majority of the Lots, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS THEREOF, the undersigned, being the Declarant herein, has hereunto set its hand this 17th day of January, 1972.

GULF RESTON, INC Declarant